

## Directors' Report

Your Directors present their Twenty-fifth Annual Report together with the audited accounts for the year ended 31st March, 2009.

### Financial Year

The financial results are summarized below :

	(Rs. In lacs)	
	Current Year	Previous Year
Income from operations and other income	66.90	168.51
Gross Profit	54.79	157.21
Profit before Taxation	54.79	157.21
Provision for Taxation	5.02	17.78
Net Profit	49.77	139.43

### Dividend

In order to conserve resources, your Directors have not recommended any dividend.

### Performance

As reported last year, the company has already diversified into real estate development after exiting finance and financial services business. The company proposes to promote real estate projects by way of development agreements with landowners. At the same time, the company is also engaged in arranging real estate deals, which will improve profitability. The company continued to recover NPA dues through pursuance of civil and criminal suits filed against the defaulters.

### Corporate Governance

Your company has complied with the Corporate Governance code in terms of mandatory recommendations of Securities and Exchange Board of India and in pursuance of Clause 49 of the Listing Agreement. A report on the Corporate Governance and the Auditors' Certificate thereon are annexed to this Report. The company is in the process of identifying suitable persons for the positions of Chief Executive Officer (CEO) and Chief Finance Officer (CFO). The Stock Exchange will be duly intimated when these appointments are made.

### Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the Directors' Responsibility Statement and confirm as under :

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit for the period;
- iii. that the Directors have taken proper and sufficient care of maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts on a going concern basis.

### Future Prospects

Real estate development is getting a major push as the Indian economy grows at an annual rate of over 6 percent. The growing demand for housing for all income groups, mall space and offices holds good promise for real estate developers. Your company's decision to enter real estate development business will benefit all stakeholders.

### Fixed Deposits

The company has not accepted or renewed any deposits during the year. There are unclaimed deposits of Rs. 80,772 lying with a bank in a fixed deposit escrow account as per Reserve Bank letter. However, the company has applied to Reserve Bank of India for release of the deposit money to enable the company to transfer the money in Investors' Education and Protection Fund of the Central Government.

### Directors

Mr Alok Jaipuria retires by rotation and being eligible offers himself for re-appointment. The details of the retiring Director are given in the Annual Report elsewhere.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

Since the company is not engaged in any manufacturing activities, the information under section 217(1)(c) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not annexed hereto.

The company has not earned or spent any amount in foreign exchange during the year under review.

**Listing Requisites**

The shares of the company are listed on Calcutta, Mumbai and National Stock Exchanges. Listing fees for the year 2009-2010 have been paid to National Stock Exchange, The Bombay Stock Exchange Ltd, Mumbai and The Calcutta Stock Exchange Association Ltd.

**Auditors**

M/s Singhi & Co., the retiring Auditors have expressed their desire to seek re-appointment at the ensuing Annual General Meeting.

**Particulars of Employees**

There are no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975 as amended.

**Acknowledgement**

The Directors thank the shareholders for their continued support.

Regd. Office :  
A-3 Gillander House,  
8, Netaji Subhas Road,  
Kolkata 700 001  
Date : 30th June, 2009

By Order of the Board

R L Sureka	Sushil Kumar Mor
Director	Director

## Management Discussion and Analysis Report

We submit herewith the management discussion and analysis report on the business of the company.

### Industry Structure and developments

The company has fully exited from financial services business. The company is now entering into real estate business in view of stable socio-political and economic conditions coupled with improvement in infrastructure facilities.

The trend in the first quarter of the current year shows improved performance and the company expects to perform well in the current year.

### Opportunities and Threats

#### Opportunities

Your company is positioned to take advantage of :

- i) A buoyant Indian economy : Over the next five years, with a projected GDP growth of 6 percent, India is expected to be among the fastest growing economies.
- ii) Infrastructure Development : The government has planned major investments in infrastructure, which include the development of roads and ports, convention center projects and the modernization of Mumbai, Delhi and other airports. This is likely to further boost the real estate sector.

#### Threats

Demands for Real Estate especially residential real estate is sensitive to interest rate movement. Interest rates have been rising in the recent past due to Reserve Bank of India's credit tightening policy. This can adversely affect the company's business plan. Further, recent curb by Reserve Bank of India and the Government of India to reduce credit flow to the retail sector may also affect the company's plans.

#### Risks and Concerns

In the course of its business, the company is exposed to wide variety of risks.

Real estate business in India is being highly regulated by the Government at various levels, several regulatory approvals, permits, licences, etc. are required to be obtained from the Government from time to time for the implementation of any project. Any delay in obtaining such approvals can affect the timely execution of the project.

#### Risk mitigation

While there remain a number of risks in our business, due to our operations in the low risk area of development of residential projects, we believe that the company will continue to generate healthy shareholders returns in the future. As such, the future outlook of the company remains positive.

#### Internal control system and their adequacy

Your company maintains adequate internal control systems commensurate with the Company's size and business, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. The systems and processes are continually reviewed for its effectiveness and augmented by documented policies and procedures.

#### Material developments in Human Resources

Human resource functions and initiatives of your Company to attract, train, retain and motivate employees are driven by a strong set of values and policies. Your Company has taken all adequate and necessary steps from time to time to maintain a competitive, healthy and harmonious work environment at all levels.

#### DECLARATION

I, Ratan Lal Sureka, Director, NuCent Estates Ltd, to the best of my knowledge and belief, hereby declare that all board members and staff members have affirmed compliance with the company's code of conduct for the year ended 31st March, 2009.

Kolkata  
30th June, 2009

Ratan Lal Sureka  
Director

## Report on Corporate Governance

### I. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices, such as :

- Fair and transparent business practices.
- Effective management control by Board.
- Adequate representation of promoter, executive and independent directors on the Board.
- Accountability for performance.
- Monitoring of executive performance by the Board.

- Compliance of laws.
- Transparent and timely disclosure of financial and management information.

### II. BOARD OF DIRECTORS

The Board of Directors of NuCent Estates Ltd comprises of four non-executive and all independent directors.

During the financial year 2008-2009, five meetings of the board were held. These meetings were held on 11th April, 2008, 30th June, 2008, 31st July, 2008, 24th October, 2008 and 21st January, 2009. The time gap between two meetings was less than four months.

#### Details and other particulars of Directors are given below :

Name	Designation	Category	Equity Shareholding in the Company
Mr Ratan Lal Sureka	Director	Non-Executive Independent Director	Nil
Mr Ajit Khandelwal	Director	Non-Executive Independent Director	Nil
Mr Sushil Kumar Mor	Director	Non-Executive Independent Director	Nil
Mr Alok Jaipuria	Director	Non-Executive Independent Director	Nil

#### Details of Directors' attendance and other particulars are given below :

Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attendance (Yes/No)	No. of memberships in Boards of other Public Companies	No. of Committee memberships in other Public Companies@*
Mr Navin Suchanti**	5	3	No	8	2
Mr Ratan Lal Sureka***	5	3	Yes	4	Nil
Mr Ajit Khandelwal	5	5	Yes	6	2
Mr Sushil Kumar Mor***	5	3	Yes	Nil	Nil
Mr Alok Jaipuria	5	5	No	Nil	Nil

\* Chairmanship/Membership Audit Committee and Investor Grievance Committee in Public Companies

\*\* Resigned w.e.f. 31.07.2008

\*\*\* Appointed w.e.f. 31.07.2008

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT

Brief resume of the director being re-appointed, nature of his expertise in specific functional areas and names of companies in which he holds directorships and shareholding are furnished hereunder :

Particulars	Mr Alok Jaipuria
Date of Birth	15.08.1952
Date of appointment	26.10.2006
Qualification	B. Com (Hons.)
Expertise in specific functional area	More than 30 years experience in business and administration
Directorships held in Other Public Companies (excluding foreign companies and section 25 Companies)	NIL
Membership/Chairmanship of Committee of other Public Companies (includes only Audit Committee and shareholders/ Investors Grievance Committee)	NIL
No. of shares held in the Company	NIL

**III. AUDIT COMMITTEE****Terms of Reference**

The Audit Committee has inter alia the following mandate:

1. To oversee the Company's financial reporting process and disclosure of its financial information ensure the financial statements are correct, sufficient and credible.
2. To recommend appointment and removal of the Statutory Auditors, fixation of audit fees and also approve payment for other services rendered.
3. To review the adequacy of internal control systems with the Management, Statutory and Internal Auditors.
4. To review with the Management, the audited quarterly, half-yearly and annual financial statements before submission to the Board for approval.
5. To review the Company's financial and risk management policies.
6. To review statement of significant related party transactions, management letters/letters of internal control weaknesses.

**Composition**

Mr Ajit Khandelwal - Chairman (Non-Executive Independent Director)  
 Mr Alok Jaipuria - Member (Non-Executive Independent Director)  
 Mr Sushil Kumar Mor - Member (Non-Executive Independent Director)  
 Mr Ratan Lal Sureka - Member (Non-Executive Independent Director)

**Meetings and attendance during the year**

During the financial year 2008-2009, four meetings of the committee were held on 30th June, 2008, 31st July, 2008 24th October, 2008 and 21st January, 2009. The time gap between two meetings was less than four months.

Members	Meetings held	Meetings attended
Mr Navin Suchanti*	4	2
Mr Ajit Khandelwal	4	4
Mr Sushil Kumar Mor**	4	2
Mr Alok Jaipuria	4	4
Mr Ratan Lal Sureka**	4	2

\* Resigned w.e.f. 31.07.2008.

\*\* Appointed on 31.07.2008.

**Subsidiary Companies**

The Company has no subsidiary company.

**IV. Remuneration to Non-Executive Directors**

The Non-Executive Directors are remunerated by way of fees @ Rs.2500 for attending each Board Meeting.

**V. INVESTORS' GRIEVANCE COMMITTEE****Terms of Reference**

The Investors' Grievance Committee facilitates prompt and effective redressal of shareholders' complaints and the reporting of the same to the Board periodically.

**Composition**

Mr Ajit Khandelwal - Chairman (Non-Executive Independent Director)  
 Mr Alok Jaipuria - Member (Non-Executive Independent Director)  
 Mr Ratan Lal Sureka - Member (Non-Executive Independent Director)

Members	Meetings held	Meetings attended
Mr Ajit Khandelwal	1	1
Mr Alok Jaipuria	1	1
Mr Ratan Lal Sureka	1	1

**VI. SHAREHOLDERS' MEETINGS**

Details of last three Annual General Meeting :

Year	Date	Venue	Time
2005-06	22.07.2006	Rotary Sadan 94/2, J L Nehru Road Kolkata	10.30 am
2006-07	22.09.2007	Rotary Sadan 94/2, J L Nehru Road Kolkata	10.30 am
2007-08	27.09.2008	Rotary Sadan 94/2, J L Nehru Road Kolkata	10.30 am

The details of special resolutions passed during last three years are given below :

1.	22.07.2006	AGM	Nil
2.	22.09.2007	AGM	Nil
3.	27.09.2008	AGM	Nil

No special resolution was put through postal ballot last year.

**VII. DISCLOSURES**

- There were no material and significant related party transactions, i.e., transaction of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the selected parties have been disclosed in Schedule No. I Note No. 10 to the Accounts in the Annual Report.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. There were no instances of non-compliance by the Company.
- The Company has an established whistle blower policy.
- The Company has complied with the mandatory requirement of clause 49 of the Listing Agreement. The Company has not adopted non-mandatory requirement of the said clause during the year under review.

**Non-mandatory Requirements****i. The Board**

At present, there is no separate office in the company for use of Chairman as there is no permanent Chairman. There is no policy in the company determining the tenure of independent directors.

**ii. Shareholders Rights**

Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the company.

**iii. Audit qualifications**

There is no audit qualification. Every endeavour is made to make the financial statements without qualification.

**iv. Training of Board Members**

Considering the nature and risk profile of the business of the company the board members are persons of excellent professional standing/business experience and they are eminently competent to discharge their duties.

**v. Mechanism for evaluating non-executive Board Members**

There is no policy framed for evaluation of non-executive Directors.

**VIII. MEANS OF COMMUNICATION****Quarterly Results**

The quarterly results were published during the year under review in all editions of Business Standard and Dainik Statesman.

The quarterly results are displayed on [www.nucenstates.com](http://www.nucenstates.com) and on websites of BSE.

**IX. GENERAL SHAREHOLDER INFORMATION****a. Annual General Meeting :**

- Day, date & time : Wednesday, 23rd September, 2009 at 10.30 a.m.
- Venue : Rotary Sadan 94/2, J L Nehru Road Kolkata 700 020

**b. Financial Calendar (tentative) :**

Results for quarter ending June 30, 2009	By end of July, 2009
Results for quarter ending September 30, 2009	By end of October, 2009
Results for quarter ending December 31, 2009	By end of January, 2010
Results for quarter ending March 31, 2010	By end of June, 2010
AGM for the year ending March 31, 2010	By end of August, 2010

**c. Book Closure** : Wednesday, 16th September, 2009 to Wednesday, 23rd September, 2009 (both days inclusive)

**d. Stock Exchange Listing** : The National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor,  
Plot No. C/1, 'G' Block,  
Bandra-Kurla Complex,  
Bandra(E), Mumbai 400 051  
NSE Stock Code : NUCENT

The Bombay Stock Exchange Ltd (BSE)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 023  
BSE Scrip Code : 509077

The Calcutta Stock Exchange Association Ltd  
7, Lyons Range  
Kolkata 700 001  
Stock Code : 26445

The company has paid annual listing fees to all the exchanges.

**e. Market price data :**

Monthly high/low – (Rs./share) during 2007-2008)

Market data at Bombay Stock Exchange Ltd, Mumbai (BSE)

Month	Share Prices at BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April, 2008	4.90	3.79	17480.74	15297.76
May, 2008	5.37	4.45	17735.70	16196.02
June, 2008	5.34	3.82	16632.72	13405.54
July, 2008	3.87	3.05	15130.09	12514.02
August, 2008	4.30	3.35	15579.78	14002.43
September, 2008	4.15	3.30	15107.01	12153.55
October, 2008	3.25	2.94	13203.86	7697.39
November, 2008	3.40	2.95	10945.41	8316.39
December, 2008	3.09	2.83	10188.54	8467.43
January, 2009	3.10	2.80	10469.72	8631.60
February, 2009	2.80	2.48	9724.87	8619.22
March, 2009	2.36	1.93	10127.09	8047.17

**f. Registrar and Transfer Agent :**

Niche Technologies Pvt Ltd  
D-511, Bagree Market  
71, BRBB Road  
Kolkata 700 001  
Phone : 22343576, 22357270/7271  
Fax : 22156823  
Email : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

**g. Share Transfer System :**

The entire job of Share Transfer is entrusted to the SEBI registered Registrar & Transfer Agent as per Listing Agreement. The Registrar & Transfer Agent is under the supervision and control of the Securities & Exchange Board of India, National Securities Depository Limited, Central Depository Services (India) Limited and the Stock Exchanges. The Shares received for transfer in physical form are sent to them for processing. After transfer, these are dispatched to the concerned holder. In case of shares for dematerialisation, the depository participants send the request to the Registrar and these are processed accordingly.

**h. Distribution of Shareholding :**

No. of shares	Shareholders		Total No. of Shares	
	No.	%	No.	%
Upto 500	26167	94.7496	3238004	24.6597
501 - 1000	965	3.4942	753037	5.7349
1001 – 5000	420	1.5208	850261	6.4754
5001 – 10000	31	0.1122	224737	1.7115
10001 – 50000	27	0.0978	538369	4.1001
50001 – 100000	0	0.0000	0	0.0000
100001 - Above	7	0.0253	7526322	56.3184
Totals	27617	100.0000	13130730	100.0000

Category	No.	%
Promoters	7021168	53.471
Mutual Funds, UTI	8800.00	0.067
Banks, FIs, Insurance Cos, Govt. & Non-Govt. Institutions	306865	2.337
Private Corporate Bodies	614711	4.681
Public (Indian)	5049352	38.455
NRIs/OCBs	103073	0.785
Trust	188	0.001
Clearing Member	26573	0.002
Total	13130730	100.00

**i. Dematerialisation of shares :** NSDL : 72.430%, CDSL : 5.936%

The Company has dematerialized 9510621 equity shares (72.430%) at NSDL and 779556 equity shares (5.936%) at CDSL out of total paid-up capital of 131307303 equity shares as on 31st March, 2009.

**j. Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity**

As on the date of this report, there are no outstanding GDRs/ADRs/warrants or any other convertible instruments.

**k. Plant Location :** Nil**l. Address for Correspondence :**

Compliance Officer  
NuCent Estates Limited  
A-3, Gillander House  
8, Netaji Subhas Road  
Kolkata 700 001  
Mobile : 9830134381  
Fax (033) 22800813,  
Email : [nucentestates@gmail.com](mailto:nucentestates@gmail.com)

**Auditors' Certificate on Compliance with the Conditions of Corporate Governance under Clause 49 of the Listing Agreements**

To the Shareholders of NuCent Estates Limited

We have examined the compliance of conditions of Corporate Governance by NuCent Estates Limited during the year ended March 31, 2009 as stipulated in clause 49 of the Listing Agreements of the said company with the stock exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate governance as stipulated in the above mentioned Listing Agreements.

We state that in respect of investor grievances received during the year ended March 31, 2009, no investor grievances are pending for a period exceeding one month against the company as per records maintained by the Company which are presented to the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Singhi & Co,  
Chartered Accountants

Place : Kolkata  
Date : 30th June, 2009

S K Kothari  
(Partner)

## Auditor's Report to the Members of NuCent Estates Limited

We have audited the attached Balance Sheet of **NUCENT ESTATES LIMITED** as at 31st March, 2009 the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the annexure referred to above, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by Law, have been kept by the Company, so far as appears from our examination of the books.

- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e) Based on the representations made by all the Directors, which was taken on record by the Board of Directors and the information and explanations as made available to us, none of the directors is disqualified as on March 31st 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the significant accounting policies and other notes as given in schedule I thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
  - ii) in the case of Profit & Loss Account, of the Profit for the year ended on that date ; and
  - iii) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Singhi & Co.  
Chartered Accountants

Place: Kolkata  
Date: the 30th day of June, 2009

S. K. KOTHARI  
Partner  
M. No. 54157

## Annexure to the Auditor's Report

- (i) The Company does not have any fixed assets and as such this clause of the Order is not applicable.
- (ii) The Company does not have any Inventory and as such this clause of the Order is not applicable.
- (iii) According to the information and explanations given to us, the company has neither taken or granted any loan secured or unsecured to / from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4 (iii) (b) to (g) of the said Order are not applicable.
- (iv) According to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of Inventory and sales of goods. During the course of our audit, no major weakness has been noticed in these internal controls.
- (v) There has been no transactions required to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956,
- (vi) The Company has not accepted any deposit from the public.
- (vii) The Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) As per information and explanations given to us, the Central Government has not prescribed for maintenance of cost records under section 209(l)(d) of the Companies Act, 1956 for any of the areas in which the company is dealing.
- (ix) a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including income tax etc. as on 31st March, 2009 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and based on the records examined by us, the particulars of statutory dues which has not been deposited on account of a dispute are as follows:

Nature of Dues	Amount Involved	Forum where dispute is pending
Income Tax	Rs.3325443/-	CIT (Appeal)

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash loss in the current or in the immediate preceding financial year.

- (xi) According to the records of the Company, there are no outstanding dues to any financial institution or bank at the end of the financial year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- (xiii) The Company is not a chit fund /nidhi /mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the company is dealing/ trading in shares and has maintained proper records which are required to be maintained for transactions and timely entries have been made therein, and shares have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institution during the year.
- (xvi) There were no term loans availed of by the Company during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, no funds raised on short term basis, have been used to finance long term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books of account carried out in accordance with the generally accepted accounting practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the year, nor have we been informed of such case by the management.

For Singhi & Co.  
Chartered Accountants

Place: Kolkata  
Date: 30th June, 2009

S. K. Kothari  
Partner

## Balance Sheet as at 31st March, 2009

	Schedule	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	A	28128039	28128039
Reserves & Surplus	B	30952836	25975772
TOTAL		59080875	54103811
<b><u>APPLICATION OF FUNDS</u></b>			
Investments	C	36921799	43421799
<u>Current Assets, Loans &amp; Advances</u>			
Cash & Bank Balance	D	12781866	8949816
Loans & Advances	E	9516983	1880029
		22298849	10829845
<u>Less : Current Liabilities &amp; Provisions</u>			
Current Liabilities	F	139773	147833
		139773	147833
Net Current Assets		22159076	10682012
TOTAL		59080875	54103811
Accounting policies & Notes on Accounts	I		

Schedules A to H and I referred to above form an integral part of the Balance Sheet

As per our Report annexed  
for Singhi & Co.,  
Chartered Accountants  
S K Kothari  
Partner  
Place: Kolkata  
Date: 30th June, 2009

For and on behalf of Board of Directors

R L Sureka - Director

Sushil Kumar Mor - Director

## Profit and Loss Account for the Year Ended 31st March, 2009

	Schedule	For the year ended 31st March, 2009 Rs.	For the year ended 31st March, 2008 Rs.
<b>INCOME</b>			
Income from Operations		3790500	12845100
Other Income	G	2900250	4006178
		<u>6690750</u>	<u>16851278</u>
<b>EXPENDITURE</b>			
Administrative & Other Expenses	H	1211486	1130007
		<u>1211486</u>	<u>1130007</u>
Profit before tax		5479264	15721271
Provision for Taxation			
– Current Tax	500000		
– Fringe Benefit Tax	2200	502200	1778100
Profit after tax		<u>4977064</u>	<u>13943171</u>
Less: Tax adjustments for earlier years		0	8797458
		<u>4977064</u>	<u>5145713</u>
Balance brought down from previous year		20975772	15830059
		<u>25952836</u>	<u>20975772</u>
Balance carried to Balance Sheet		25952836	20975772
		<u>25952836</u>	<u>20975772</u>
<b>Earning Per Share (EPS)</b>			
Basic & Diluted EPS			
(Equity Shares of face value of Rs. 2 each)			
i) Before exceptional items		0.38	0.39
i) After exceptional items		0.38	0.39

Accounting policies &amp; Notes on Accounts I

Schedules A to H and I referred to above form an integral part of the Profit &amp; Loss Account

For and on behalf of Board of Directors

As per our Report annexed  
for Singhi & Co.,  
Chartered Accountants

R L Sureka - Director

S K Kothari  
Partner  
Place: Kolkata  
Date: 30th June, 2009

Sushil Kumar Mor - Director

## Cash Flow Statement for the Year Ended 31st March, 2009

	<b>Year ended 31.03.2009 Rs.</b>	Year ended 31.03.2008 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	5479264	15721271
<b>ADJUSTMENTS FOR</b>		
Depreciation	-	-
Fixed Assets w/off	-	-
Profit on sale of Investments	1615124	1495731
Dividend Received	642079	66760
Interest Received	631513	2402226
Operating profit before Working Capital Charges	<u>2590548</u>	<u>11756554</u>
<b>ADJUSTMENTS FOR</b>		
Inventory	-	2400000
Trade and other receivables	7382000	168750
Trade & Other Payable	8060	746
<b>Cash generated from operations</b>	<u>- 4799512</u>	<u>14324558</u>
Direct Taxes Paid including FBT	757154	1683648
<b>NET CASH FROM OPERATIVE ACTIVITIES (A)</b>	<u>- 5556666</u>	<u>12640910</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments (Net)	8115124	-30684123
Sale/Transfer of Fixed Assets	-	-
Investment in Fixed Deposit	- 4298451	15944744
Interest Received	631513	2402226
Dividend Received	642079	66760
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<u>5090265</u>	<u>-12270393</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital including Share Premium	-	-
Proceeds from Long Term Borrowings	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents (A+B+C)	- 466401	370517
Opening Balance of cash and Cash equivalents	753394	382877
Closing Balance of cash and Cash equivalents	286993	753394

In terms of attached report of even date

for Singhi & Co.,  
Chartered AccountantsS K Kothari  
Partner  
Place: Kolkata  
Date: 30th June, 2009

For and on behalf of Board of Directors

R L Sureka - Director

Sushil Kumar Mor - Director

## Schedules Annexed to and Forming Part of Balance Sheet as at 31st March, 2009

	<b>As at 31st March, 2009 Rs.</b>	As at 31st March, 2008 Rs.
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
12,50,00,000 Equity Shares of Rs.2 each	250000000	250000000
2,50,00,000 Redeemable Preference Shares of Rs.10 each	<u>250000000</u>	<u>250000000</u>
	<u>500000000</u>	<u>500000000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
13130730 Equity Shares of Rs.2 each	26261460	26261460
Add : Shares forfeited	<u>1866579</u>	<u>1866579</u>
	<u>28128039</u>	<u>28128039</u>
<b>SCHEDULE 'B'</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve – As per Last Account	5000000	5000000
Profit and Loss Account Balance	<u>25952836</u>	<u>20975772</u>
	<u>30952836</u>	<u>25975772</u>

			As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
<b>SCHEDULE 'C'</b>				
<b>INVESTMENTS (LONG TERM) (At Cost)</b>				
<b><u>Other than Trade</u></b>				
<b>(Fully paid up unless otherwise stated)</b>				
	<b>No. of Shares</b>	<b>Face Value</b>		
<b><u>Quoted Equity Shares</u></b>				
Amrit Banaspati Ltd	2	10	416	416
Indo Rama Synthetics Ltd	744	10	44454	44454
Idea Cellular Ltd	132	10	9900	9900
Reliance Industries Ltd	2,000	10	1433002	1433002
Reliance Capital Ltd	100	10	8380	8380
Reliance Communication Ventures Ltd	2,000	5	251620	251620
Reliance Energy Ltd	150	10	47760	47760
Reliance Natural Resources Ltd	2,000	5	4860	4860
Steel Strips Ltd	100	10	1750	1750
Spentex Industries Ltd	168	10	-	-
Tata Steel Ltd	5,644	10	1321728	1321728
<b><u>Quoted Preference Shares</u></b>				
Tata Steel Ltd	74	10	10000	10000
			3133870	3133870
<b><u>Unquoted Equity Shares</u></b>				
Concept Venture Pvt Ltd	3,000		30000	30000
<b>Mutual Fund (Unquoted At cost)</b>				
Reliance Vision Fund- Growth Plan	3,126.421		550000	550000
Tata Indo Global Infrastructure Fund	250,000		2500000	2500000
<b><u>Investment (Current)</u></b>				
<b>Mutual Fund (Unquoted At cost)</b>				
HDFC CMF Saving Plan-Growth	1,375,992.779		25000000	-
Reliance Fixed Horizon Fund VII				
Series 6 Growth Plan	(1100000)		-	11000000
Reliance Fixed Horizon Fund VI				
Series 3 Institutional Dividend Payout	(2500000)		-	25000000
.				
Reliance Liquid Fund -	306,015.511		5707930	1207930
Growth Plan	(62408.859)			
Reliance Vision Fund- Growth Plan	3,126.421		550000	550000
Tata Indo Global Infrastructure Fund	250,000		2500000	2500000
Total			33757930	40257930
Grand Total			36921799	43421799
Aggregate Market Value of Quoted Investments			<b>4767031</b>	<b>10029687</b>
Repurchase price of Mutual Fund			33868010	40363897

	<b>As at 31st March, 2009 Rs.</b>	As at 31st March, 2008 Rs.
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>		
<b>SCHEDULE 'D'</b>		
<b><u>Cash &amp; Bank Balance</u></b>		
Cash in hand (As Certified)	108578	90217
<b><u>Balance with Banks</u></b>		
With Scheduled Banks	96349	581111
With Co-operative Bank	1294	1294
Fixed Deposits (including Interest Accrual Rs.434873/- Previous Year Rs.571120/-)	12494873	8196422
Unclaimed Fixed Deposit Account	80772	80772
	12781866	8949816
<b>SCHEDULE 'E'</b>		
<b><u>Loans &amp; Advances</u></b>		
Advances (Recoverable in Cash or kind or value to be received)	8489250	1107250
Security Deposits	167374	167374
Income Tax & FBT Advance (Net)	860359	605405
	9516983	1880029
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<b>SCHEDULE 'F'</b>		
<b><u>CURRENT LIABILITIES</u></b>		
Sundry Creditors	59001	67061
Unclaimed Fixed Deposit	80772	80772
	139773	147833

Note: No amount due to Investor Education & Protection Fund as on Balance Sheet date.

	<b>For the year ended 31st March, 2009 Rs.</b>	For the year ended 31st March, 2008 Rs.
<b>SCHEDULE 'G'</b>		
<b>OTHER INCOME</b>		
Miscellaneous Receipt	11534	41461
Dividend from long term Investments	642079	66760
Interest from Bank	631513	2402226
Profit on Sale of Long Term Investments	-	262801
Profit on Sale of current Investments	1615124	1232930
	<u>2900250</u>	<u>4006178</u>
<b>SCHEDULE 'H'</b>		
<b>Administrative &amp; Other Expenses</b>		
Salary, Wages and other Employees Benefits	428886	340456
Contribution to Provident and other Funds	37652	32231
Rates & Taxes	4800	4800
Legal & Professional Charges	260191	278408
Directors' Fees	29000	13500
Auditors' Remuneration		
As Audit Fees	27575	
In other capacity	<u>23595</u>	51685
Stationery & Printing	35576	59384
Miscellaneous Expenses	364211	349543
	<u>1211486</u>	<u>1130007</u>

## Schedule 'I'

### Accounting Policies and Notes on the Accounts

#### 1. Basis of preparation of Financial Statement

a) The financial statements have been prepared under the historical cost convention and in accordance with the mandatory Accounting Standard issued by the Institute of Chartered Accountants of India and referred to in section 211 (3C) of the Companies Act, 1956.

#### b) Investments

Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in nature.

#### c) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

#### d) Taxation

Provision for tax for the year comprises current tax liability and deferred tax which recognizes (subject to the consideration of prudence in case of deferred tax assets) timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or have substantive effect of actual enactment at the balance sheet date.

#### e) Foreign Exchange Transaction

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions. Monetary foreign carrying assets and liabilities outstanding at the year end are translated at the exchange rate prevailing as on Balance sheet date or at the rates at which forward cover has been obtained. Exchange rate difference arising on account of conversion/transactions of such assets/liabilities are recognized in Profit & Loss.

#### f) Retirement Benefits

- i. Leave encashment is paid as per rules of the company within every year.
- ii. The company has policy of not giving any retirement benefit to its employees. Further, the payment of Gratuity Act, 1972 is not applicable to the company.

#### g) Borrowing Costs

Borrowing Costs incurred in relation to the acquisition, construction of qualifying assets upto the date such assets are ready for intended use are capitalized as part of the cost of such assets. Other borrowing costs are charged as expenses in the year in which they are incurred.

#### h) Contingent Liabilities

Contingent liabilities are generally not provided for in the accounts and are separately shown in the schedule of Notes on Accounts, except certainties which are likely to effect the future outcome, are provided as specifically mentioned in the accounts.

2. Contingent liabilities not provided in respect income tax demand for assessment years 1997-1998 for Rs. 33,25,443 for which the company has preferred appeals to higher authorities.

3. The Company has taken up development of Real Estate project at Durgapur by entering to a Development Agreement with a Body Corporate against which a sum of Rs.73,82,000/- has been given as Advance.

4. Income from operation includes recovery of the outstanding dues/Bad Debts of the earlier years.

5. Advance includes Rs. 10,60,000/- deposited with a scheduled Bank which was made on behalf of a partnership firm in which the company was one of the Partner. In view of the partnership coming to an end by efflux of time, the company becomes the sole owner of the said business and the deposit is considered good by the management.
6. The company has not recognized the net deferred tax assets, in respect of accumulated losses and unabsorbed depreciation in view of the virtual uncertainty of availing the benefit in future.
7. Based on the records of the company, no amount is due to micro, small and medium enterprises as defined under MSMED Act, 2006.
8. Since the company is presently involved mainly in the activity of real estate development, no segment information is given as required under Accounting Standard AS-17 "Segment Information".

9. Earnings Per Share (EPS)	2008 – 2009	2007 – 2008
Weighted Average number of Equity shares of Rs.2 each	13130730	13130730
Profit After Tax	4977064	5145713
Exceptional items	–	–
i) Profit before Exceptional items	4977064	5145713
ii) Profit after Exceptional items	4977064	5145713
EPS		
i) Before Exceptional items	0.38	0.39
ii) After Exceptional items	0.38	0.39

10. Related Party Disclosure

List of Related party

- a) Enterprises having significant influence over the company  
Pressman Advertising Limited
- b) Enterprises having significant influence by key management personnel of the company  
Sinclairs Hotels Limited

Statement of Related Party Transactions

Nature of Transactions	Enterprises having significant influenced over the Company		Enterprises significantly influenced by Key Management Personnel		Key Management Personnel	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Advertising Expenses	13537.00	15225.00				

11. Previous year's figure have been regrouped/rearranged wherever found necessary.

Schedules A to I which form integral part of the accounts.

As per our Report annexed  
for Singhi & Co.,  
Chartered Accountants

S K Kothari  
Partner

Date: 30th June, 2009

R L Sureka - Director

Sushil Kumar Mor - Director

